

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY – CNPJ 17.155.730/0001-64 – NIRE 33300266003

MARKET ANNOUNCEMENT

Reply to BM&FBovespa inquiry GAE 489/14, of February 28, 2014

Question asked by BM&F BOVESPA

Considering the completion of the period for stockholders to state dissent in relation to indirect acquisition, through your subsidiary Chipley SP Participações S.A., of 51% of the total and voting stock of the company Brasil PCH SA, approved at the Extraordinary General Meeting of Stockholders of January 30, 2014, we request you to state, by March 7, 2014, whether your Company will reconsider or ratify the said acquisitions, as is optional under Article 137, Paragraph 3 of Law 6404/76, as amended by Law 10303/2001.

We further request you to state the date of payment of the amount of the reimbursement due to the dissident stockholders.

Reply by CEMIG

Dear Sirs,

In reply to the request by BM&FBovespa, through its Official Letter GAE/CREM 489/14, of February 28, 2014, we ratify the indirect acquisition, through the subsidiary Chipley SP Participações S.A., of 51% of the total and voting stock of the company PCH S.A., as approved by the Extraordinary General Meeting of Stockholders of January 30, 2014. Payment for this acquisition was made on February 14, 2014, as stated in the corresponding Market Announcement.

Additionally, we advise you that the payment to the stockholders who stated their wish to exercise their right to withdraw, specified in Paragraph 2 of Article 256 of Law 6404/76, as stated in the Market Announcement of January 31, 2014, will be made on March 28, 2014.

The payment in relation to the shares deposited in custody at CBLC (*Companhia Brasileira de Liquidação e Custódia* – the Brazilian Settlement and Custody Company) will be credited to that entity on the same date and the Depositary Brokers will be responsible for passing the amounts through to stockholders.

Belo Horizonte, March 7, 2014.

Luiz Fernando Rolla

Chief Finance and Investor Relations Officer